

House Bills 4509-10 (As Introduced)

Contact: Office of Policy and Legislative Affairs

Agency: Labor & Economic Growth

Topic:

Construction
Contracts

Sponsor:

Representative
Acciavatti

Co-Sponsors:

None

Committee:

House
Government
Operations

Date Introduced:

March 17,
2005

Date of Summary:

October 12,
2005

House Bill 4509 amends Section 5 of Public Act 524 of 1980, which regulates construction contracts with public agencies. The bill adds a new subsection referring to the new language proposed in House Bill 4510 for Public Act 213 of 1963. The 1963 act provides a procedure for bonding contractors for public buildings and public works projects. House Bill 4510 contains a title amendment adding the provision of contract remedies to the bill's current bonding purpose. The bill declares that failure of an owner, contractor, or principal contractor to pay in compliance with the bill's requirement that a supplier, subcontractor, or other contract be paid on or before the date specified in the contractor is a material breach that allows the suspension of contract performance. The new remedy applies only to written contracts of \$10,000 or more that contain a specific payment provision and do not involve a residence. The bills are tie-barred.